

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

As of 30 June 2016

Luxembourg R.C.S. B 128 420

No subscriptions can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current prospectus and key investor information documents accompanied by the latest available annual report and audited financial statements and semi-annual report if published thereafter.

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TABLE OF CONTENTS

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

MANAGEMENT AND ADMINISTRATION	3
REPORT OF THE BOARD OF DIRECTORS	6
REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ	8
STATEMENT OF NET ASSETS	10
STATEMENT OF OPERATIONS	11
STATEMENT OF CHANGES IN NET ASSETS	12
CHANGES IN THE NUMBER OF SHARES OUTSTANDING	13
STATISTICAL INFORMATION	13
SECURITIES PORTFOLIO	
HARVEST INVESTMENT FUND - GLOBAL CONVERTIBLE	14
NOTES TO THE FINANCIAL STATEMENTS	18
SHAREHOLDER INFORMATION	24
UNAUDITED SUPPLEMENTARY INFORMATION	
TOTAL EXPENSE RATIO / PORTFOLIO TURNOVER RATE	26
GLOBAL EXPOSURE / CORPORATE GOVERNANCE STATEMENT	27

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MANAGEMENT AND ADMINISTRATION

BOARD OF DIRECTORS

CHAIRMAN

Mr Claude Chambre
Managing Director
Harvest Advisory S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

MEMBERS

Mr Romain Moebus
Member of the Management Committee
VP Bank (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

Mr François Haquenne
Executive Director
Bellatrix Asset Management S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

(since 27 November 2015)
Mr Stéphane Francfort
181 bd Bineau
F-92200 Neuilly/Seine, France

(since 29 January 2016)
Mr Philippe Van Sichelen
39, rue Goethe
L-1637 Luxembourg, Grand Duchy of Luxembourg

MANAGEMENT COMPANY

Bellatrix Asset Management S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

HARVEST INVESTMENT FUND

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BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr Alain Würigler
Chairman of the Board of Directors
Bellatrix Asset Management S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

Mr François Haquenne
Executive Director
Bellatrix Asset Management S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

Mr Philippe Mermoud
Director
Bellatrix Asset Management S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

Mr Pascal Würigler
Director
Bellatrix Asset Management S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

REGISTERED OFFICE

26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

MAILING ADDRESS

P.O. Box 923
L-2019 Luxembourg, Grand Duchy of Luxembourg

REGISTRATION NUMBERS

Luxembourg R.C.S. B 128 420
Luxembourg VAT number LU23764919

ADMINISTRATIVE AND DOMICILIARY AGENT, REGISTRAR AND TRANSFER AGENT

VP Fund Solutions (Luxembourg) SA *
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

*renamed as of 3 August 2015, formerly VPB Finance S.A.

HARVEST INVESTMENT FUND

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CUSTODIAN BANK AND PAYING AGENT

VP Bank (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

INVESTMENT MANAGER

Bellatrix Asset Management S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

INVESTMENT ADVISOR AND COORDINATOR

Harvest Advisory S.A.
31, boulevard Prince Henri
L-1724 Luxembourg, Grand Duchy of Luxembourg

CABINET DE RÉVISION AGRÉÉ

Deloitte Audit
Société à responsabilité limitée
560, rue de Neudorf
L-2220 Luxembourg, Grand Duchy of Luxembourg

LEGAL ADVISOR IN LUXEMBOURG

Elvinger Hoss Prussen
2, place Winston Churchill
L-1340 Luxembourg, Grand Duchy of Luxembourg

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
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REPORT OF THE BOARD OF DIRECTORS

To the shareholders of
Harvest Investment Fund
26, avenue de la Liberté
L-1930 Luxembourg

HARVEST INVESTMENT FUND – GLOBAL CONVERTIBLE

Sub-Fund Overview

Global convertible bond picking

Our investment portfolio is focused on a buy and hold strategy. Generally, our time horizon, in normal circumstances, is at least of 2 years. We invest in around 50 companies in the world through convertible bonds. Our approach is unconstrained. We focus on selecting companies that offer an interesting perspective through their convertible bonds. We look for yield and, or equity rise participation.

Convertible bond unique characteristics

Convertible securities originated more than a century ago, when railroad companies in the then-emerging US economy needed to raise capital. Following the success of these early years, the convertible market has evolved into a dynamic and robust global arena where the basic structure of mixing debt and equity in a single investment remains unchanged. Convertibles combine equity and debt features, allowing investors to participate in potential equity price appreciation with limited downside risk, provided by the debt feature.

Review of the performance

The difference in share class performance derives from their different characteristics:

Harvest Investment Fund – Global Convertible - Class A Shares returned -5.14%. The global convertible portfolio of Class A Shares has no currency or delta hedges. It is composed of convertible bonds, mandatories and preferred Shares mainly denominated in USD (41%) and EUR (30%) and marginally in CNY, JPY, GBP and CHF. The top10 positions represent 25% of the portfolio and the main positions are held in Post Holdings 2.50% 2049 Pref., Take Two Interactive 1% 2018, Allergan Plc 5.50% 2018, Teva Pharmaceuticals C 0.25% 2026 and Bank of America Corp 7.25% 2049 Pref.

Compared to the Barclays Global Convertible Index we were underweighted in financials and information technology sectors and overweighted in healthcare, consumer staples.

Class B Shares of Harvest Investment Fund – Global Convertible, being Class A Shares of the Sub-Fund for institutional investors, returned -4.48%.

Class C Shares of Harvest Investment Fund – Global Convertible, where we hedge on a best effort basis the non-EUR currencies, returned -5.88%. Effectively, global convertible bonds are mainly (around 60% of the investment universe) issued in USD terms. In the year under review, the EUR was nearly flat compare to the USD, explaining only a slightly lower performance of Class C Shares versus Class A Shares.

Class H Shares of Harvest Investment Fund – Global Convertible, where we look for a reduced volatility, using delta and/or currency discretionary hedges, returned -5.95%. The lower performance of Class H Shares compared to Class A Shares comes from the cost of currency and delta hedges.

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
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Class H Shares had during the year under review a volatility of 5.09% compared to Class A Shares volatility of 10.89% so that the Class H Shares lower volatility target compared to Class A Shares was fulfilled.

Portfolio outlook

Once again, Mergers & Acquisitions (“M&A”) have been positive drivers for equity and convertible bond markets. Convertible bonds, due to specific clauses like poison puts and ratchets, are positively impacted when an acquisition occurs. The sub-fund due to its size and investment characteristics tends to benefit from high M&A activity because convertible bonds are mainly issued by small and mid cap companies that are often the targets of bigger players. On the bond side, we tend to avoid high yield/distressed convertible bonds segment apart from very specific situations (Premier Oil 2.5% 2018, Air Berlin 6% 2019). On a sectorial point of view, we have suffered so far in 2016 from the underperformance of the pharmaceutical sector compare to the index. But we expect the sector and specifically our investments (Teva Pharmaceuticals C 0.25% 2026, Allergan 5.50% 2018, ...) to unlock value and produce better returns when investment catalysts will be realised. Our leaders in terms of performance so far in 2016 (Post Holdings 2.50% 2049 Pref., Royal Gold 2.875% 2019, Marine Harvest 0.125% 2020 and 0.875% 2019, and Pierre & Vacances 3.50% 2019) should continue on their trend as they have still plenty of value to realise. It is also an illustration of our picking as these top 5 contributors are mainly not members of global convertible bond indices, and 5 names in 5 different sectors!

Convertible bond market and outlook

Uncertainty and lack of confidence is expected in the markets and economies after the Brexit vote. But also, generalised slowdown in emerging market, China’s rebalancing, lower commodity prices, and the exit from an accommodative monetary policy in the US are of great concerns. In other economies, negative interest rates are spreading and central banks doesn’t seem to have other ideas to reach their growth and inflation targets than accommodative monetary policies. Thus, IMF expects Eurozone GDP growth to be of 1.6% for 2016 and 1.4% for 2017 and global growth to be of 3.4% for 2016 and 3.6% in 2017. In such a world, one can expect volatility to remain but also average return for the coming years to be lower than in the past. This is the reason why when bonds can offer nothing else than negative returns (but a certain level of capital preservation) and equities high volatility we consider that convertible bonds because of the hybrid nature are the asset class of predilection. Our diversified portfolio across geographic areas and sectors through convertible bond picking rather than indexing is an investment proposition of interest either for diversification or as a core investment.

Ultimately and once again, we express our gratitude for shareholders’ trust and continuing support.

Luxembourg, 15 July 2016

The Board of Directors

Notice: The information in this report represents historical data and is not an indication of future results.

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

To the Shareholders of
Harvest Investment Fund
26, avenue de la Liberté
L-1930 Luxembourg
Grand Duchy of Luxembourg

Following our appointment by the annual general meeting of Shareholders dated 15 October 2015, we have audited the accompanying financial statements of Harvest Investment Fund (the "Fund") and of its sub-fund, which comprise the statement of net assets and the securities portfolio as at 30 June 2016, the statement of operations and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of financial statements and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the *réviseur d'entreprises agréé's* judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the Fund, as well as evaluating the overall presentation of the financial statements.

**REPORT OF THE RÉVISEUR
D'ENTREPRISES AGRÉÉ**

(continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

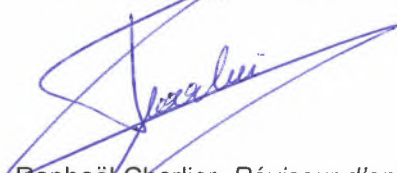
Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Harvest Investment Fund and of its sub-fund as at 30 June 2016, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to preparation of financial statements.

Other matter

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

For Deloitte Audit, *Cabinet de révision agréé*



Raphaël Charlier, *Réviseur d'entreprises agréé*
Partner

Luxembourg, 14 October 2016

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
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STATEMENT OF NET ASSETS

As of 30 June 2016

	Harvest Investment Fund - Global Convertible (in EUR)	Combined (in EUR)
ASSETS		
Securities portfolio (at cost)	39,935,307.35	39,935,307.35
Unrealised appreciation/depreciation (-)	1,133,037.97	1,133,037.97
Securities portfolio at market value	41,068,345.32	41,068,345.32
Cash at banks	8,687,647.21	8,687,647.21
Receivable on dividends	11,420.27	11,420.27
Interest receivable on bonds	199,013.44	199,013.44
Unrealised gain on futures contracts	40,871.01	40,871.01
TOTAL ASSETS	50,007,297.25	50,007,297.25
LIABILITIES		
Payables on redemptions	-11,903.00	-11,903.00
Payables on securities purchased	-570,179.96	-570,179.96
Accrued expenses	-190,022.10	-190,022.10
Unrealised loss on forward foreign exchange contracts	-142,368.15	-142,368.15
TOTAL LIABILITIES	-914,473.21	-914,473.21
NET ASSETS	49,092,824.04	49,092,824.04

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STATEMENT OF OPERATIONS

For the year/period ended 30 June 2016

	Harvest Investment Fund - Global Convertible (in EUR)	Combined (in EUR)
INCOME		
Dividends, net	102,930.98	102,930.98
Interest on bonds	659,287.05	659,287.05
Other income	0.42	0.42
TOTAL INCOME	762,218.45	762,218.45
EXPENSES		
Investment advisory and management company fees	-768,191.90	-768,191.90
Custodian and central administration fees	-121,377.35	-121,377.35
Subscription tax	-15,824.07	-15,824.07
Professional expenses	-15,753.47	-15,753.47
Transaction costs	-119,723.19	-119,723.19
Other charges	-27,401.67	-27,401.67
Interest paid on bank overdraft	-5,200.01	-5,200.01
TOTAL EXPENSES	-1,073,471.66	-1,073,471.66
NET INCOME/LOSS (-) FROM INVESTMENTS	-311,253.21	-311,253.21
Net realised gain/loss (-) on foreign exchange	24,076.40	24,076.40
Net realised gain/loss (-) on futures contracts	92,483.28	92,483.28
Net realised gain/loss (-) on forward foreign exchange contracts	-5,332.00	-5,332.00
Net realised gain/loss (-) on sales of securities	3,301,865.20	3,301,865.20
NET REALISED PROFIT/LOSS (-) FOR THE YEAR/PERIOD	3,101,839.67	3,101,839.67
NET CHANGE IN UNREALISED APPRECIATION/DEPRECIATION (-)		
- on futures contracts	-2,005.01	-2,005.01
- on forward foreign exchange contracts	-111,058.23	-111,058.23
- on securities	-5,378,066.18	-5,378,066.18
INCREASE/DECREASE (-) IN NET ASSETS AS A RESULT OF OPERATIONS	-2,389,289.75	-2,389,289.75

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
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STATEMENT OF CHANGES IN NET ASSETS

For the year/period ended 30 June 2016

	Harvest Investment Fund - Global Convertible (in EUR)	Combined (in EUR)
NET ASSETS		
Beginning of the year/period	47,336,889.19	47,336,889.19
	<hr/>	<hr/>
CHANGES FROM INVESTMENT ACTIVITIES		
Increase/decrease (-) in net assets as a result of operations for the year/period	-2,389,289.75	-2,389,289.75
	<hr/>	<hr/>
CHANGES FROM CAPITAL TRANSACTIONS		
Proceeds from Shares issued	13,217,876.18	13,217,876.18
Payments for Shares redeemed	-9,072,651.58	-9,072,651.58
	<hr/>	<hr/>
	4,145,224.60	4,145,224.60
	<hr/>	<hr/>
NET ASSETS		
End of the year/period	49,092,824.04	49,092,824.04
	<hr/> <hr/>	<hr/> <hr/>

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CHANGES IN THE NUMBER OF SHARES OUTSTANDING

For the year/period ended 30 June 2016

	Harvest Investment Fund - Global Convertible			
	Class A EUR	Class B EUR	Class C EUR	Class H EUR
Number of Shares at the beginning of the year/period	139,251.474	153,410.000	4,304.009	74,517.830
Number of Shares issued	19,978.093	47,635.696	15,815.949	28,345.283
Number of Shares redeemed	-16,404.441	-16,845.000	-2,146.732	-42,266.870
Number of Shares outstanding at the end of the year/period	142,825.126	184,200.696	17,973.226	60,596.243

STATISTICAL INFORMATION

	30 June 2016	30 June 2015	30 June 2014
Total Fund			
Net Assets of the Fund (in EUR)	49,092,824.04	47,336,889.19	41,564,795.82
Harvest Investment Fund - Global Convertible			
Total net assets (in EUR)	49,092,824.04	47,336,889.19	41,564,795.82
Class A EUR			
Shares outstanding	142,825.126	139,251.474	150,390.770
Net asset value per share (in share class currency)	130.52	137.59	124.33
Class B EUR			
Shares outstanding	184,200.696	153,410.000	141,700.000
Net asset value per share (in share class currency)	120.49	126.14	113.29
Class C EUR			
Shares outstanding	17,973.226	4,304.009	2,804.009
Net asset value per share (in share class currency)	104.19	110.70	112.56
Class H EUR			
Shares outstanding	60,596.243	74,517.830	61,088.386
Net asset value per share (in share class currency)	105.38	112.04	106.38

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Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

HARVEST INVESTMENT FUND - GLOBAL CONVERTIBLE

Securities Portfolio as of 30 June 2016 (in EUR)

Transferable securities admitted to an official stock exchange listing

Bonds

Currency	Nominal Value/ Bonds	Description	Market Value	% of Net Assets*
EUR	400,000	ABLYNX NV 270514 / 270520 3.25%	452,162.00	0.92
EUR	1,750,000	AGEASFINLUX 070502 / PERPETUAL VRN	892,430.00	1.82
EUR	500,000	AIR BERLIN FIN BV 060313 / 060319 6%	411,547.50	0.84
JPY	50,000,000	ASICS COPR 030314 / 010319 0%	459,092.51	0.94
EUR	500,000	AZIMUT HLDG 251113 / 251120 4%	513,452.50	1.05
CHF	500,000	BASILEA PHARMACEUTICA AG 231215 / 231222 2.75%	442,559.83	0.90
USD	500,000	BROOKDALE SENIOR LIVING INC 140611 / 150618 2.75%	441,983.73	0.90
USD	400,000	CHINA OVERSEAS FIN INVEST 050116 / 050123 0%	365,119.32	0.74
USD	500,000	CITRIX SYSTEMS INC 150415 / 150419 0.5%	502,071.25	1.02
USD	500,000	DEPOMED INC 090914 / 010921 2.5%	541,951.07	1.10
EUR	500,000	DEUTSCHE POST AG 061212 / 061219 0.6%	660,337.50	1.35
EUR	500,000	DRILLISCH AG 121213 / 121218 0.75%	875,812.50	1.78
EUR	50,000	ETABLISSEMENT MAUREL & PROM 150515 / 010721 2.75%	330,045.01	0.67
CNY	5,000,000	FUFENG GROUP LTD 271113 / 271118 3%	685,405.70	1.40
USD	500,000	JAZZ INVESTMENTS I LTD 150215 / 150821 1.875%	482,664.66	0.98
EUR	500,000	KONINKLIJKE BAM GROEP 130616 / 130621 3.5%	467,672.50	0.95
USD	500,000	LINKEDIN CORP 011115 / 011119 0.5%	444,591.83	0.91
USD	1,000	LVMH MOET HENNESSY 160216 / 160221 0%	224,367.99	0.46
EUR	100,000	MARINE HARVEST ASA 051115 / 051120 0.125%	111,235.00	0.23
EUR	500,000	MARINE HARVEST ASA 060514 / 060519 0.875%	768,607.50	1.57
GBP	500,000	MARKET TECH HLDG LTD 310315 / 310320 2%	592,983.98	1.21
CHF	230,000	MEYER BURGER TECH AG 240914 / 240920 4%	145,215.79	0.30
EUR	500,000	OHL INVESTMENT S.A. 250413 / 250418 4%	450,525.00	0.92
EUR	12,000	ORPEA 170713 / 010120 1.75%	931,662.63	1.90
EUR	1,000,000	PARPUBLICA SGPS 280910 / 280917 5.25%	1,043,135.00	2.12
GBP	500,000	PHP FIN (JERSEY) LIMITED 200514 / 200519 4.25%	667,824.43	1.36
EUR	15,000	PIERRE ET VACANCES 120214 / 011019 3.5%	603,887.86	1.23
USD	1,500,000	PREMIER OIL FIN (JERSEY) LTD 011112 / 270718 2.5%	900,293.39	1.83
USD	500,000	PRICELINE.COM INC 150912 / 150318 1%	626,209.06	1.28
EUR	500,000	RECTICEL SA 230707 / 230717 5%	505,562.50	1.03
GBP	500,000	REMGRO JERSEY GBP LTD 220316 / 150521 2.625%	670,188.86	1.37
EUR	500,000	SAF HOLLAND SA 120914 / 120920 1%	528,915.00	1.08
EUR	500,000	SAFILO GROUP SPA 220514 / 220519 1.25%	449,772.50	0.92
USD	500,000	SALESFORCE COM INC 011013 / 010418 0.25%	582,906.53	1.19
USD	400,000	SIEM INDUSTRIES INC 120912 / 120919 1%	358,809.48	0.73
USD	1,000,000	SIEMENS FIN NV 160212 / 160817 1.05%	936,066.41	1.91
JPY	100,000,000	SONY CORP 210715 / 300922 0%	919,439.69	1.87
EUR	20,000	SUEZ ENIRON COMP 270214 / 270220 0%	395,570.00	0.81
JPY	50,000,000	SUZUKI MOTOR CORP 010416 / 310323 0%	458,778.85	0.93
EUR	800,000	TELECOM ITALIA FINANCE 151113 / 151116 6.125%	775,828.00	1.58
JPY	50,000,000	UNICHARM CORP 250915 / 250920 0%	508,568.58	1.04
GBP	500,000	VODAFONE GROUP PLC 261115 / 261120 0%	591,964.21	1.21
Total transferable bonds admitted to an official stock exchange listing			23,717,217.65	48.31

*Minor rounding differences may occur due to the rounding of percentage.

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HARVEST INVESTMENT FUND - GLOBAL CONVERTIBLE

Securities Portfolio as of 30 June 2016

(in EUR)

(continued)

Transferable securities dealt on another regulated market

Bonds

Currency	Nominal Value/ Bonds	Description	Market Value	% of Net Assets*
EUR	500,000	AABAR INVESTMENTS PJSC 270315 / 270320 0.5%	385,630.00	0.79
EUR	500,000	AABAR INVESTMENTS PJSC 270315 / 270322 1%	356,455.00	0.73
EUR	1,000,000	AMERICA MOVIL SAB DE CV 280515 / 280520 0%	988,300.00	2.01
USD	500,000	CTRIIP.COM INTL LTD 171013 / 151018 1.25%	545,169.00	1.11
EUR	1,500,000	FORTIS BANQUE FRN CV 191207 / PERPETUAL VRN	978,937.50	1.99
USD	500,000	MICRON TECHNOLOGY INC 150813 / 150233 1.625%	610,283.69	1.24
USD	500,000	NXP SEMICON 011214 / 011219 1%	488,351.17	0.99
USD	300,000	PACIRA PHARMACEUTICALS INC 230113 / 010219 3.25%	405,263.33	0.83
USD	500,000	PALO ALTO NETWORKS INC 300614 / 010719 0%	574,636.68	1.17
USD	500,000	ROYAL GOLD INC 200612 / 150619 2.875%	478,490.35	0.97
USD	500,000	RTI INTERNATIONAL METALS INC 170413 / 151019 1.625%	479,939.54	0.98
USD	500,000	SERVICENOW INC 141114 / 011118 0%	500,914.59	1.02
USD	500,000	SINA CORP 011214 / 011218 1%	444,468.06	0.91
USD	500,000	SPANSION LLC 010914 / 010920 2%	906,754.00	1.85
EUR	100,000	STEINHOFF FIN HLDG 210416 / 211023 1.25%	96,465.00	0.20
EUR	500,000	STEINHOFF FIN HLDG 300114 / 300121 4%	725,270.00	1.48
USD	1,000,000	TAKE-TWO INTERACT SOFTWARE INC 180613 / 010718 1%	1,611,588.55	3.28
USD	1,000,000	TEVA PHARMACEUTICAL FIN LLC 310106 / 010226 0.25%	1,130,915.41	2.30
USD	500,000	VIPSHOP HOLDINGS LTD 170314 / 150319 1.5%	444,231.78	0.90
USD	500,000	YAHOO INC 261113 / 011218 0%	446,817.37	0.91
USD	500,000	YANDEX NV 151214 / 151218 1.125%	419,059.92	0.85
Total transferable bonds dealt on another regulated market			13,017,940.94	26.52

Mandatory Convertible Shares

Currency	Nominal Value/ Quantity	Description	Market Value	% of Net Assets*
USD	2,000	ALLERGAN PLC 010318 5.50%	1,500,644.25	3.06
Total transferable mandatory convertible shares dealt on another regulated market			1,500,644.25	3.06

*Minor rounding differences may occur due to the rounding of percentage.

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

HARVEST INVESTMENT FUND - GLOBAL CONVERTIBLE

Securities Portfolio as of 30 June 2016 (in EUR)

(continued)

Transferable securities dealt on another regulated market (cont'd)

Preferred Shares

Currency	Nominal Value/ Quantity	Description	Market Value	% of Net Assets*
USD	1,000	BANK OF AMERICA CORP 2049 7.25%	1,075,643.54	2.19
USD	12,000	POST HOLDINGS INC 2049 2.50%	1,725,411.44	3.51
Total transferable preferred shares dealt on another regulated market			2,801,054.98	5.71

Other transferable securities

Bonds

Currency	Nominal Value/ Bonds	Description	Market Value	% of Net Assets*
EUR	500,000	PESCANOVA SA 170212 / 170219 8.75%**	21,715.00	0.04
EUR	250,000	PESCANOVA SA 200411 / 200417 5.125%**	9,772.50	0.02
Total other transferable bonds			31,487.50	0.06
TOTAL SECURITIES PORTFOLIO			41,068,345.32	83.65

*Minor rounding differences may occur due to the rounding of percentage.

**These securities are in default – please refer to note 15.

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

HARVEST INVESTMENT FUND - GLOBAL CONVERTIBLE

Securities Portfolio as of 30 June 2016
(in EUR)

(continued)

Breakdown by country

	% of Net Assets*
Austria	1.67
Belgium	3.94
Bermuda	0.98
Cayman Islands	5.79
France	5.06
Germany	3.13
Guernsey	1.21
Ireland	3.06
Italy	1.96
Japan	4.78
Jersey	4.56
Luxembourg	5.39
Mexico	2.01
Netherlands	4.55
Norway	1.79
Portugal	2.12
Spain	0.06
Switzerland	1.20
United Arab Emirates	1.51
United Kingdom	1.21
United States of America	27.65
TOTAL	83.65

Breakdown by currency

	% of Net Assets*
CHF	1.20
CNY	1.39
EUR	30.00
GBP	5.14
JPY	4.78
USD	41.14
TOTAL	83.65

*Minor rounding differences may occur due to the rounding of percentage.

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

NOTES TO THE FINANCIAL STATEMENTS AS OF 30 JUNE 2016

Note 1

General Information

Harvest Investment Fund (the "Fund") was incorporated as an open-ended investment company (*société d'investissement à capital variable* ("SICAV")) with multiple sub-funds ("Sub-Funds") governed by Luxembourg law, established in accordance with the provisions of Part I of the amended Law of 17 December 2010 (the "2010 Law") relating to undertakings for collective investment.

The Fund was incorporated for an indefinite period on 10 May 2007. The duration of the Sub-Funds may be limited. On incorporation all the Shares representing the initial capital were subscribed for and were fully paid. The Articles of Incorporation were published in the *Mémorial, Recueil des Sociétés et Associations* on 18 July 2007. The Articles of Incorporation are on file with the *Registre de Commerce et des Sociétés of Luxembourg*.

The Fund contains one Sub-Fund with several Classes of Shares which were active at the date of the report:

- Harvest Investment Fund – Global Convertible
Class A, B, C and H Shares in EUR
 - Class A, C and H Shares are available to all investors
 - Class B Shares are available only to institutional investors

As of 1 July 2013 the Board of Directors of the Fund has designated Bellatrix Asset Management S.A. to act as Management Company for the Fund under the terms of the Management Company Services Agreement dated 1 July 2013. The Management Company is a public limited company ("*société anonyme*"). Its articles of incorporation dated 30 March 2007 allow it to act as a Management Company for undertakings for collective investment, currently in accordance with Chapter 15 of the 2010 Law. It exists for an unlimited period of time. As such, the Management Company will perform and render without limitation: (i) investment management services, and (ii) marketing, principal distribution and sales services.

Bellatrix Asset Management S.A. is also acting as Management Company for other Luxembourg investment funds, the names of which are available upon request from the Management Company.

Note 2

Summary of significant accounting policies

The financial statements of the Fund are prepared in accordance with generally accepted accounting policies and Luxembourg legal and regulatory requirements relating to the preparation of the financial statements. The combined financial statements are expressed in EUR.

a) Foreign currency translation

Investments as well as other assets and liabilities stated in foreign currencies are translated at the exchange rates prevailing as at the date of the report. The costs of investments are translated at historical exchange rates. Transactions in foreign currency during the year are translated at the rates prevailing at the date of transaction. Realised and net change in unrealised exchange gains and losses, if any, are recorded in the statement of operations of the Sub-Fund.

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

b) Investments

The value of securities, which are traded on a stock exchange or traded on another regulated market providing reliable price quotations, are valued at the latest price available on the valuation day.

In the event that any securities held in the portfolio are not listed on any stock exchange or not traded on any other regulated market or if the price obtained as described above is not representative of the fair market value of the securities, the value of such securities will be based on the reasonably foreseeable sales price determined prudently and in good faith in accordance with generally accepted valuation principles.

The cost of investments sold is determined on the basis of the weighted average price method.

c) Forward foreign exchange contracts

Outstanding forward foreign exchange contracts as of year/period-end are evaluated based on forward currency rates for the remaining period up to final maturity. Realised and net change in unrealised exchange gains and losses, if any, are recorded in the statement of operations of the Sub-Fund. To the extent that forward foreign exchange contracts are contracted to hedge the currency exposure of a given share class, such results are directly attributed to that respective share class.

d) Futures contracts

Initial margin deposits are made upon entering into futures contracts and can be made either in cash or securities. During the period for which the futures contract is open, changes in the value of the contract are recognised as unrealised gains or losses by marking to market on a daily basis to reflect the value of the contract at the end of each day's trading. Variation margin payments are made or received, depending on whether unrealised gains or losses are incurred. When the contract is closed, the Sub-Fund records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Sub-Fund's basis in the contract.

Futures contracts remaining open at the closing date are valued by reference to the last known market price. Any unrealised gains and losses are included in the statement of net assets.

e) Income recognition

Interest income is accounted for net on an accrual basis.

Dividends are recorded at the date upon which the relevant security becomes ex-dividend, to the extent information thereon is reasonably available to the Sub-Fund. These are presented for net of any applicable withholding taxes in the relevant country.

Note 3

Net asset value

a) Computation

The net asset value per share is expressed in the currency of the relevant Sub-Fund and is determined as of each business day ("Valuation Day"), by dividing the net assets of the relevant Sub-Fund or Class of Shares by the number of Shares issued and outstanding in the relevant Sub-Fund or Class of Shares.

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

b) Redemption of Shares

Each shareholder of a Sub-Fund has the right to request at any time the redemption of his/her Shares at an amount equal to the net asset value of the relevant Sub-Fund as described in the preceding paragraph.

For each Sub-Fund, the Fund may temporarily suspend the calculation of the net asset value per share, the redemption and the conversion of Shares under certain well-defined circumstances as disclosed in the prospectus of the Fund.

Note 4

Management company and investment advisory fees

In accordance with the agreements signed on 1 July 2013, the Sub-Fund pays on a quarterly basis to the Investment Advisor and Coordinator a fee accrued on each Valuation Day up to 1.85% p.a. for Class A, Class C and Class H Shares and up to 1.20% p.a. for Class B Shares, calculated on the average net asset value of the respective Classes of Shares, out of which a Management Company fee and Investment Management fee is accrued on each Valuation Day up to 0.50% p.a. for each Classes of Shares, calculated on the average net asset value of the respective Classes of Shares.

These fees are recorded under the heading "Investment advisory and management fees" in the statement of operations.

Note 5

Administrative services, custodian bank and paying agent fees

The commissions and fees for the Administrative and Domiciliary Agent, Registrar and Transfer Agent and Custodian Bank and Paying Agent are calculated as a percentage per year of the average total net assets of the related Sub-Fund and paid on a monthly basis as defined in the agreements dated 1 July 2013.

These fees are recorded under the heading "Custodian and central administration fees" in the statement of operations.

Note 6

Performance fee

In addition to the "Investment advisory and management fee", a performance fee may be paid to the Investment Advisor and Coordinator on a quarterly basis in relation to Class A, Class B, Class C and Class H Shares. The Investment Advisor and Coordinator will be entitled to a performance fee calculated and due in relation of each valuation day for each Share and fraction thereof in issue at the rate of 15% of the difference – if positive - between:

- the net asset value per Share before deduction of the daily performance fee to be calculated, but after deduction of all other fees attributable to the respective Class of Shares, including but not limited to the Investment Advisory and management fee;

and

- the greater of ("High Water Mark")

i) the highest net asset value per Share of the Class recorded on any preceding day since the launch date of the relevant share class.

and

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

- ii) the last net asset value per Share of the Class recorded for the immediately preceding Valuation Day when performance fees were provisioned (the "Last Provision") increased by the performance of the reference index, 3 month EUR Libor (ticker ECCOTRO3 Index) since the last provision.

In relation to Classes of Shares launched during the financial year of the Fund, the initial High Water Mark shall be equal to the initial subscription price of such Class of Shares.

The amounts so accumulated during each calendar quarter shall be paid out of the Sub-Fund to the Investment Advisor and Coordinator after each calendar quarter end.

For the year ended 30 June 2016, no performance fee was due.

Note 7 Taxes

Under current law and practice the Fund is not liable to any Luxembourg income tax, nor are dividends (if any) paid by the Fund liable to any Luxembourg withholding tax.

However, the Fund is liable in Luxembourg to a taxe d'abonnement of 0.05% per annum of its net assets, such tax being payable quarterly and calculated on the net asset value of the Fund at the end of the relevant quarter. The reduced taxe d'abonnement rate of 0.01% per annum will be applicable to Classes of Shares which are exclusively held by Institutional Investors. To the extent that the assets of the Fund are invested in investment funds which are established in Luxembourg, no such tax is payable.

Under current law and practice, it is anticipated that no Luxembourg capital gains tax will be payable on the realised or unrealised capital appreciation of the assets of the Fund.

Interest and dividend income may be subject to non-recoverable withholding tax in the country of origin.

Note 8 Transaction costs

In accordance with the 2010 Law, the transaction costs have to be disclosed separately in the statement of operations and are representing custodian and broker transaction fees in relation to the purchases and sales of securities during the reporting period.

Note 9 Exchange rates

Exchange rates as of 30 June 2016:

1 EUR = CHF	1.082300	1 EUR = HKD	8.617038
1 EUR = CNY	7.380811	1 EUR = JPY	113.974305
1 EUR = GBP	0.831068	1 EUR = USD	1.110963

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

Note 10

Related parties

All transactions with related parties were entered into the ordinary course of business and under normal commercial terms. The related parties to the Fund are the Investment Manager, Investment Advisor and Coordinator and the Management Company. The fees for transactions with the related parties are described in Note 4 and Note 6.

As of 30 June 2016, the Sub-Fund had not invested in related parties and there were no significant shareholdings in the Fund by any member of the Board of Directors of the Fund.

Note 11

Changes in securities portfolio

Information on the changes that have occurred in the securities portfolio of the Sub-Fund during the year/reporting period can be obtained free of charge at the Registered Office or from the Custodian Bank and Paying Agent.

Note 12

Forward foreign exchange contracts

As at 30 June 2016, the following forward foreign exchange contracts, only held for hedging purposes and traded with VP Bank (Luxembourg) SA as counterparty, were outstanding for the Sub-Fund Harvest Investment Fund – Global Convertible:

Currency	Purchases	Currency	Sales	Maturity	Unrealised gains/losses (-) (in EUR)
EUR	87,456.27	GBP	70,000.00	30 September 2016	3,405.44
EUR	126,202.07	JPY	17,000,000.00	30 September 2016	-22,935.59
EUR	505,108.65	JPY	68,000,000.00	30 September 2016	-91,441.94
EUR	448,430.49	USD	500,000.00	30 September 2016	-613.94
USD	500,000.00	EUR	457,917.39	30 September 2016	-8,874.35
EUR	132,943.37	USD	150,000.00	30 December 2016	-1,349.10
EUR	886,289.11	USD	1,000,000.00	30 December 2016	-8,994.02
EUR	448,149.14	USD	500,000.00	30 December 2016	534.89
EUR	133,821.04	USD	150,000.00	31 December 2016	-471.10
EUR	446,588.07	USD	500,000.00	31 March 2017	-3,276.96
EUR	893,176.13	USD	1,000,000.00	31 March 2017	-6,553.94
EUR	119,104.34	GBP	100,000.00	31 March 2017	-1,797.54
TOTAL (in EUR)					-142,368.15

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

Note 13

Futures contracts

As at 30 June 2016, the following futures contracts were open for the Sub-Fund Harvest Investment Fund – Global Convertible Class H EUR:

Transaction type	Quantity	Description	Maturity	Currency	Market Value (in EUR)	Unrealised gains/losses (-) (in EUR)
Sell open	-10	Euro Stoxx 50	19 September 2016	EUR	285,500.00	16,500.00
Sell open	-3	Nikkei 225 Mini	09 September 2016	JPY	40,982.92	2,908.55
Sell open	-1	MSCI Emerging Markets Mini	16 September 2016	USD	37,566.51	-387.05
Sell open	-8	Nasdaq 100 E-Mini	16 September 2016	USD	634,692.60	15,899.72
Sell open	-2	Russel 2000 Mini	16 September 2016	USD	206,559.53	4,302.57
Sell open	-4	S&P 500 E-Mini	16 September 2016	USD	376,286.16	1,647.22
TOTAL (in EUR)						40,871.01

Note 14

Appointment of a new director

During the extraordinary general meeting of the Shareholders held on 27 November 2015, the Shareholders of the Fund resolved to appoint Mr Stéphane Francfort as director of the Fund.



During the extraordinary general meeting of the Shareholders held on 29 January 2016, the Shareholders of the Fund resolved to appoint Mr Philippe van Sichelen as new director of the Fund.

Note 15

Illiquid securities

As at 30 June 2016, the following securities were in default:

ISIN	Security description	Situation
XS0617215099	PESCANOVA SA 200411 / 200417 5.125%	Low liquid since March 2013, however, pricing sources are still available
XS0746573897	PESCANOVA SA 170212 / 170219 8.75%	Low liquid since March 2013, however, pricing sources are still available

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

SHAREHOLDER INFORMATION

The articles of incorporation, the prospectus, the key investor information documents, the statement of changes in the composition of the portfolios, the annual and semi-annual reports are available free of charge at the registered office of Harvest Investment Fund 26, avenue de la Liberté, L-1930 Luxembourg.

The semi-annual and annual reports contain general information about the Fund as well as data showing the Fund's development and its total net assets.

The financial year of the Fund begins on 1 July and ends on 30 June of the following year.

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

UNAUDITED SUPPLEMENTARY INFORMATION

As of 30 June 2016

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

TOTAL EXPENSE RATIO

For the year/period ended 30 June 2016

Harvest Investment Fund – Global Convertible

Total Expense Ratio (TER) – Class A EUR	2.22%	including performance fees:	2.22%
Total Expense Ratio (TER) – Class B EUR	1.53%	including performance fees:	1.53%
Total Expense Ratio (TER) – Class C EUR	2.24%	including performance fees:	2.24%
Total Expense Ratio (TER) – Class H EUR	2.21%	including performance fees:	2.21%

The calculation of the “Total Expense Ratio” is based on the stipulated fees and commissions paid by the relevant Sub-Fund on the average net assets during the financial year.

PORTFOLIO TURNOVER RATE

For the year/period ended 30 June 2016

Harvest Investment Fund – Global Convertible

Portfolio Turnover Rate (PTR): 55.40%

The “Portfolio Turnover Rate” indicates the turnover rate of the holdings of the Sub-Fund and is computed using the following formula:

$PTR = [(Total\ 1 - Total\ 2) / M] * 100$, with:

Total 1 = Total of securities transactions during the relevant period = X + Y,
where X = purchases of securities and Y = sales of securities.

Total 2 = Total of transactions in Shares of the Sub-Fund during the relevant period = S + T,
where S = subscriptions of Shares of the Sub-Fund and T = redemptions of Shares of the Sub-Fund

M = Average net assets of the Sub-Fund

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

GLOBAL EXPOSURE

For the year/period ended 30 June 2016

The global exposure of the Sub-Fund is calculated using the commitment approach as detailed in applicable laws and regulations including but not limited to CSSF Circular 11/512.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of the Fund confirms its adherence with the principles contained in the ALFI (*Association Luxembourgeoise des Fonds d'Investissements*) Code of Conduct for Luxembourg Investment Funds.

HARVEST INVESTMENT FUND

Société d'Investissement à Capital Variable
(Investment Company organised under the laws of the Grand Duchy of Luxembourg)

Remuneration of the UCITS Management Company during the financial year (31 December 2014 – 31 December 2015):

Total remuneration paid by the UCITS	3.35 million EUR
thereof fixed remuneration	0.318 million EUR
thereof variable remuneration	0.00 million EUR
Number of Beneficiaries	4
thereof Senior management and risk takers	2
Carried interest paid by the UCITS	n/a
Total remuneration paid to Risk takers	0.00 million EUR